GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1556
ANSWERED ON:24.11.2016
Compensation to Power Consumers
Chowdhary Shri Pankaj

Will the Minister of POWER be pleased to state:

(a) whether there is any provision to provide compensation to the affected power consumers by Power Regulatory Commissions in the country under Section 57 of Electricity Act, 2003 (consumer protection performance of licensee) on being failed to fulfil performance standards laid down for various operational power distribution licensees in States and if so, the details thereof;

(b) if so, the details of the compensation been provided under the Act, by Power Regulator to affected power consumers during the last three years and the current year, State/UT-wise;

(c) whether any further amendments/ provisions are proposed to be made in the Electricity Act, 2003 to protect consumers from frequent power cuts, low voltage power supply, burning of transformers and delays in replacing them, losses due to faulty transmission wire and burning home appliances due to high voltage; and

(d) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER,
COAL, NEW & RENEWABLE ENERGY AND MINES

(SHRI PIYUSH GOYAL)

(a) & (b) : As per provisions contained in section 57(1) of the Electricity Act, 2003, Appropriate Commission may, specify standards of performance of a licensee or a class of licensees. The Act also provides for payment of compensation by a licensee in case of non-compliance of standards specified by the Appropriate Commission. The relevant provisions of the Act are given at Annex. As per information made available by Forum of Regulators (FOR) Secretariat, in pursuance to these provisions, most of the State Electricity Regulatory Commissions (SERCs) and Joint Electricity Regulatory Commissions (JERCs) have notified the standards of performance along with schedule of penalty/compensation by a distribution licensee to the person affected by non-fulfilment of the performance standards laid down. Since Power distribution falls under the jurisdiction of the respective States and is regulated by SERCs/JERCs, the Union Government has no direct role in the functioning of the same.

(c) & (d) : As express provisions already exist under section 57 of the Electricity Act, 2003, and as such no further amendments/provisions are proposed to be made in relevant provisions of the Electricity Act, 2003 in this regard.
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